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## Lobbyist Ethics Course Set for June

The legislative ethics committees have announced the scheduling of an additional ethics course for lobbyists. The course will be conducted in Sacramento on June 13, 2003.

This means there are now two remaining opportunities for California's conditionally registered lobbyists to complete their ethics course requirement (Gov. Code Section 86103) prior to the mandated June 30 filing deadline. There is no waiver or extension of this deadline.

Any lobbyist who has not completed the ethics course requirement for the 2003-2004 Legislative Session should attend one of these courses.

A lobbyist who does not complete the ethics course requirement and fails to comply with the related filing deadlines is prohibited from acting as a lobbyist in California and may be subject to criminal penalties and substantial fines.

Spaces are filled in the order that sign-up forms, accompanied by checks for the \$25 course fee, are received in the Senate Ethics Committee office.

As space is limited, it is recommended that you sign up early.

For sign-up forms, contact Jeanie Myers at the Senate Committee on Legislative Ethics at (916) 324-6929.

### **Ethics Courses For Lobbyists**

- 1. Los Angeles 1:30 to 3:30 p.m. Thursday, May 15, 2003
- 2. Sacramento Convention Center Room 308 – 1:30 to 3:30 p.m. Friday, June 13, 2003

Sign-up deadline: Sign-up form with fee must be received in the Senate Ethics Committee office by 5:00 p.m. the Friday before the course.

### **FPPC Advice Summaries**

Formal written advice provided pursuant to Government Code section 83114 subdivision (b) does not constitute an opinion of the Commission issued pursuant to Government Code section 83114 subdivision (a) nor a declaration of policy by the Commission. Formal written advice is the application of the law to a particular set of facts provided by the requestor. While this advice may provide guidance to others, the immunity provided by Government Code section 83114 subdivision (b) is limited to the requestor and to the specific facts contained in the formal written advice. (Cal. Code Regs., tit. 2, §18329, subd. (b)(7).)

Informal assistance may be provided to persons whose duties under the act are in question. (Cal. Code Regs., tit. 2, §18329, subd. (c).) In general, informal assistance, rather than formal written advice is provided when the requestor has questions concerning his or her duties, but no specific government decision is pending. (See Cal. Code Regs., tit. 2, §18329, subd. (b)(8)(D).)

Formal advice is identified by the file number beginning with an "A," while informal assistance is identified by the letter "I."

### Campaign

Lance H. Olson Superintendent of Public Instruction Dated: February 13, 2003 File Number A-02-320

Section 85316 did not go into effect for statewide candidates until November 6, 2002. The Commission has determined that section 85316's restriction on fundraising after an election does not apply to elections held before January 1, 2001 (for state legislative offices), or November 6, 2002 (for statewide offices). Therefore, a committee established before November 6, 2002, for an election held prior to that date may continue receiving contributions (irrespective of whether it has debt) and is not subject to contribution limits.

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### Alan Seman City of Rancho Mirage Dated: January 7, 2003 File Number A-02-330

A council member, who since closing his campaign committee received a contribution, is advised of the process for reopening the committee account and how the funds may be spent.

### The Honorable Gene Mullin California Assembly Dated: January 7, 2003 File Number A-02-339

It is permissible under the Act for an Assembly member's campaign committee to compensate his son for professional services the son provides to the committee as its ongoing political director. Under the Act, campaign funds may be used to pay for the cost of professional services rendered to a committee that are directly related to a political, legislative or governmental purpose.

### Laurence S. Zakson California Assembly Dated: January 24, 2003 File Number A-02-355

Clarification for an Assembly candidate that a candidate for state elective office must accept or reject voluntary spending limits at the time he or she files the Statement of Intention, and may not change this determination except in limited circumstances.

# Gregory D. Totten Office of the D.A. – Ventura County Dated: January 29, 2003 File Number A-03-004

If a California state university waives the normal fee for use of its hall for an elected official's campaign victory celebration, the transaction would be reportable as a non-monetary contribution to the official's campaign committee from the university. However, university policy and laws outside the Act concerning the use of public funds, may prohibit the university from making a political contribution. If the official's committee pays the usual fee for the use of the hall, no contribution will result.

# Janice Durant Orange County Water District Dated: December 4, 2002 File Number: A-02-299

The district secretary for a water district was advised that she has no duties or responsibilities under the Act for the directors' campaign statements. Since the directors are required to file statements of economic interests with the water district, the district secretary must perform specific duties under regulation 18115, including date stamping the statements, keeping a copy of the statements in the district's files for public review and reproduction, and forwarding the original statements to the county board of supervisors. The district secretary is not required to review the directors' completed statements of economic interests for accuracy.

### David Bauer Friends of David Knowles Dated: December 24, 2002 File Number: I-02-338

A former As sembly member was advised that his surplus campaign funds could not be contributed to central committees of a political party, with the understanding that the funds would be returned if, at a future date, he decided to run again for public office. While surplus funds may be donated to a political party, section 89519 of the Act provides that they may not be used by the political party to support or oppose candidates for political office. In addition, donations of surplus funds to a political party for the purpose of supporting or opposing candidates for political office are limited under section 85303(b) to \$25,000.

### Janet Crain, Treasurer Izzy Martin for Supervisor Dated: October 31, 2002 File Number: A-02-275

A candidate's controlled committee can accept cash for goods sold at auction, provided that any portion of the sales price that exceeds the fair market value of the item does not equal or exceed \$100.

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Paul Miller Paul Miller for City Council Dated: November 20, 2002 File Number: A-02-290

The correct method for reporting uncashed checks returned to a candidate's controlled com-

mittee is explained in this letter.

### The Honorable K. Maurice Johannessen California Senate

Dated: November 26, 2002 File Number: I-02-292

A senator sought advice on the proper use of funds transferred from his Assembly committee. The senator was advised that the funds were "surplus funds" under section 89519 and could only be used to pay certain officeholder expenses incurred in connection with the office for which the funds were raised (e.g., the Assembly). The senator was also advised that surplus funds could not be contributed to candidates, unless the candidacy is for a federal office or an elective office in a state other than California. Funds could be contributed to the central committee of a political party, as long as the party did not use the funds to support or oppose candidates for elective office. Finally, his surplus could be donated to charity, as long as the recipient is a bona fide taxexempt organization.

### Dominick V. Spatafora California Psychological Association Dated: November 25, 2002 File Number: I-02-298

When a committee receives a contribution of \$100 or more and the source is unknown, the funds must be transferred to the Secretary of State. A committee may retain contributions of under \$100 from a single source.

The Honorable Ross Johnson California Senate Dated: November 26, 2002 File Number: I-02-321

Advice relating to a third party is declined in this

letter.

### **Conflict of Interest**

John G. Barisone City of Santa Cruz Dated: February 3, 2003 File Number A-02-272

A public official is presumed to have a conflict of interest where the official's real property is directly involved in the decision.

Gregory J. Oliver Tuolumne County Dated: February 13, 2003 File Number I-02-284

A county supervisor plans to provide environmental consulting services to individuals and agencies located in his county, as well as snow removal service for a discrete service area within the county. The supervisor is given informal advice in this letter that payments from agencies for environmental services he performs constitute income for purposes of defining sources of income that may be a disqualifying economic interest to him. In addition, if a decision of the board of supervisors will have a reasonably foreseeable material financial effect on an individual or business entity that is a source of income to him, either promised or received, aggregating \$500 or more over the 12 months preceding that decision, he will be disqualified from making, participating in making or influencing that decision.

Lori J. Barker City of Chico

Dated: February 24, 2003 File Number A-03-022

A park commissioner is presumed to have a conflict of interest in a trail decision. Included in this letter is discussion regarding the possible indirect involvement of the commissioner's property, based on localized effects of the decision.

Susan Schectman Midpeninsula Regional Open Space District Dated: January 7, 2003 File Number A-02-287

A member of the Midpeninsula Regional Open Space District may participate in a decision involving real property located beyond 500 feet from the official's property.

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### Rebecca J. Turrentine Bellflower Unified School District Dated: January 10, 2003 File Number A-02-303

A public official who is a member of a unified school district board, who simultaneously holds employment as a special education teacher for the county office of education, will not have a conflict of interest disqualifying him from: 1) participating in discussions of the district taking back special educational programs currently run by the county; 2) voting to hire a consultant to study the issues of taking back the programs; or 3) voting on the decision to take back programs unless the decision would result in the official losing his job.

Dominick Chiricosta Franchise Tax Board Dated: January 9, 2003 File Number I-02-313

The provisions of the revolving door statutes with respect to a former Franchise Tax Board employee are discussed in this letter.

Robert W. Hargreaves City of Palm Desert Dated: January 29, 2003 File Number A-02-315

The effects of amendments to a zoning ordinance applicable to all properties in the category are presumed not to be material for a council member whose real property is located within the category to be amended.

Stephen L. Dorsey City of Pasadena Dated: January 22, 2003 File Number I-02-335

A city manager, whose spouse was employed by a public relations firm working to achieve goals in competition with a public agency on which the city manager had decision-making authority, would have a conflict of interest in any decision with a foreseeable material financial effect on the spouse's firm, a source of income to the city manager. However, the "nexus" analysis is not applicable to the public

official when the public official's spouse is employed to achieve ends furthering, or hindering, the official's public obligations.

Jeffrey M. Oderman City of San Clemente Dated: January 29, 2003 File Number A-02-340

A council member owns real property that is indirectly involved in two different development decisions. If he determines that there is no reasonably foreseeable material financial effect on his property or personal finances, he may participate in the decisions.

Howard Laks City of Santa Monica Dated: January 22, 2003 File Number A-02-346

An architect is a member of the City of Santa Monica Architectural Review Board. The architect may represent his client regarding a project that is before the planning commission on appeal.

Celia A. Brewer City of Solana Beach Dated: January 17, 2003 File Number I-02-347

A city council member whose principal residence is located within 500 feet of the city's shoreline is advised that he has a conflict of interest prohibiting his involvement in city council decisions concerning shoreline erosion mitigation plans and policies, unless an exception applies or unless he can rebut the presumed material financial effect of those decisions on his economic interests in his real property. Under regulation 18705.2(a) (1), such decisions are presumed to have a material financial effect upon his economic interest in real property located 500 feet or less from the shoreline, which is the property that is the subject of such decisions.

Patricia Lambert Coast Life Support District Board of Directors Dated: January 8, 2003 File Number I-02-349

A public official is advised that, barring an economic interest in her adult son, she will not have (Continued on page 28)

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a conflict of interest in a decision solely because the decision may have a financial effect on her son.

#### Harvey Paskowitz Channel Islands Beach Community Services District

Dated: January 28, 2003 File Number A-02-354

Campaign contributions are not "economic interests" as defined in section 87103. Section 84308 imposes disclosure and disqualification obligations on certain public officials in connection with the receipt of campaign contributions. Generally, however, directly elected officers are exempt from the provisions of section 84308.

### Jennifer McGrath City of Huntington Beach Dated: January 24, 2003 File Number I-02-356

A planning commissioner is advised on a variety of issues that may pose a conflict of interest. The letter includes a short discussion on how Government Code section 84308 may impact him.

## Mary R. Casey Marin Municipal Water District Dated: December 9, 2002 File Number: I-02-247

A newly appointed member of the Marin Municipal Water District Board of Directors ("District") inquired as to whether he would have a conflict of interest regarding issues that typically come before the District. The District member owns a consulting practice involved in environmental research, is a member of a partnership that provides software for environmental research, and contracts with the Institute of Fisheries Resources. Decisions of the District include items such as water supply contract negotiations, environmental issues, and other issues relating to water supply from the Russian River, including negotiations with the Sonoma County Water Agency. The District member would have a conflict of interest if the effect of any of these decisions impacts any of these businesses by more

than the thresholds provided in regulations 18705.1 and 18705.3.

### Sonia Rubio Carvalho City of Azusa

Dated: December 20, 2002 File Numbers: A-02-293;294;314

City officials with personal residences located within 500 feet of property that is proposed for development sought advice as to whether they could rely upon real estate appraisals to rebut the presumption that development-related decisions will have a reasonably foreseeable material financial effect on their real property. The officials were advised that a real estate appraisal that considers the factors listed in regulation 18705.2(b)(1)(A)-(C), is conducted by a disinterested and duly qualified real estate professional, and reaches an objectively defensible conclusion, may provide a reasonable and objective basis for rebutting the presumption in these circumstances that the redevelopment decisions will have a reasonably foreseeable material financial effect on their respective personal residences.

### Barry A. Rosenbaum

Office of the City Attorney - Santa Monica

Dated: December 2, 2002 File Number: I-02-296

Where a landmark commissioner's real property is within 500 feet of real property that is the subject of a governmental decision, the official's real property is "directly involved" and materiality is presumed. Thus, the official may not participate in the decision, absent a showing that there will be no financial effect on the official's real property, or unless an exception applies.

### Brien J. Farrell, City Attorney City of Santa Rosa

Dated: December 17, 2002 File Number: A-02-302

A city official is given advice that decisions affecting development of a new commercial shopping area will not have a reasonably foreseeable material financial effect on the official's interest in a business entity in which he has an investment interest, and which employs the official. The

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city-commissioned feasibility study for the new shopping area estimated the financial effect of the new commercial center on the official's employer as under \$300 per year. Based on this fact, the financial effect is not considered material.

Liane M. Randolph Petaluma City Council Dated: December 12, 2002 File Number: I-02-304

A Petaluma city council member is also a local real estate broker. The council member was advised that neither his real estate brokerage business nor the owner of a parcel of land sold through that brokerage to a developer would create a conflict of interest disqualifying him from being involved in city council decisions concerning development of that parcel by its new owner. The council member was also advised, however, that if the seller represented by his brokerage firm retained a security interest in the parcel upon its sale, the seller would represent a directly involved economic interest that could disqualify him from being involved in city council decisions concerning the parcel.

Richard S. Taylor City of Saratoga

Dated: December 3, 2002 File Number: A-02-305

A council member may participate in a decision about a use permit application from a local church and affiliated school, even though the council member's children attend the school. The council member does not have an economic interest in the decision under the Act.

Robert R. Ovrom, City Manager City of Burbank

Dated: December 9, 2002 File Number: A-02-306

This follow-up to *Ovrom* Advice Letter, No. A-02-254 seeks clarification as to whether the city manager for the City of Burbank would have a conflict of interest if he makes decisions regarding a redevelopment project when his adult daughter, who now lives with him, is a program applicant. Since she is over 18 years of age and is not his dependent, she is not a part of his

"immediate family" as used in the Act. The fact that she resides with the city manager does not impact this conclusion. Thus, the conflict-ofinterest rules are not implicated unless his expenses have increased or decreased enough to meet the \$250 in any 12-month period personal financial effect threshold.

Nancy Aaberg Yuba City Unified School District Dated: December 31, 2002

File Number: I-02-351

An individual selected for appointment to a state agency asked whether receipt of publishers' royalty payments would create a potentially disqualifying conflict of interest, even if the individual permanently renounces receipt of any future royalty payments. The appointee was advised that if royalties received from a publisher total \$500 or more for the 12-month period immediately preceding the date of a decision, the appointee would have a potentially disqualifying conflict of interest, even when no future royalty payments will be received.

Laura C. Kuhn City of Scotts Valley Dated: November 5, 2002 File Number: A-02-192

A public official may participate in a decision to relocate propane gas tanks to a site 2,000 feet from her home unless she determines that there will be a material financial effect on her property based on the factors in regulation 18705.2(b). The "public generally" exception does not apply to a decision on a site acquisition as a mitigation bank for a habitat conservation plan. Therefore, she may not participate in that decision.

Barbara Z. Leibold City of Lake Elsinore Dated: November 18, 2002 File Number: A-02-218

A council member sought advice as to whether his current and prior employment arrangements presented a conflict of interest regarding decisions made as a council member, and as his city's representative to various local area political bodies. This letter concludes that since clients of his former employer are not considered to be

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sources of income to him, he does not have a conflict of interest disqualifying him from decisions that will have a reasonably foreseeable material financial effect on those clients. In addition, this letter discusses what is considered to be reasonably foreseeable under the Commission's opinion, *In re Thorner*, and concludes that a decision concerning certain ongoing litigation will have a reasonably foreseeable material financial effect on a source of income to him. Thus, the council member is advised that he is disqualified from being involved in that decision.

Steven Zent City of Redondo Beach Dated: November 1, 2002 File Number: I-02-278

General guidance regarding the holding of multiple public positions simultaneously and conflicts of interest is provided in this letter. The Act does not prohibit holding more than one public office.

#### Gary McGeorge Mark Twain Union Elementary School District

Dated: November 6, 2002 File Number: I-02-279

A candidate is running for a position on a school board within the same school district in which his wife is an employee. The candidate will not have a conflict of interest, so long as he does not use his official position to influence decisions which could result in the hiring, firing, promotion, demotion or discipline of his wife, or set a salary different from salaries paid to other employees within her job classification or position.

### **Conflict of Interest Code**

Michael Kahoe San Joaquin Valley Water Coalition Dated: January 21, 2003 File Number A-02-171

Under the Commission's *Siegel* test, the San Joaquin Valley Water Coalition Board is a local government agency.

Steven L. Andriese Mountain-Valley Emergency Medical Services Agency

Dated: November 5, 2002 File Number: A-02-276

The Mountain-Valley Emergency Medical Services Agency ("Agency") requested advice on behalf of the Regional Advisory Committee ("RAC"), a subcommittee which the Agency formed. The Agency inquired as to whether RAC members are "public officials" subject to the disclosure and disqualification provisions of the Act. Since RAC makes substantive recommendations to the Emergency Medical Services Board of Directors that are regularly approved without significant modification, RAC is a decision-making body and its members are public officials as defined by the Act.

### **Gift Limits**

Lisa A. Foster City of San Diego Dated: February 28, 2003 File Number A-03-014a

This letter advises that a city attorney did not receive a gift when he purchased tickets to the Super Bowl from the NFL at the price stated on the ticket, despite the fact that there was a secondary market for the tickets with resale values higher than the face value of the tickets. In addition, other city officials attended a pre-game party hosted by the NFL. Admission tickets to the party were free to invitees and had no stated value. The letter advises that the value of a pregame party ticket is the cost to the donor, including payments for food, beverages, rental of the facility, decorations, entertainment, and other tangible benefits.

George S. Fuller Teachers Association of West Covina Dated: December 30, 2002

File Number: A-02-307

Whether payments for a board of education member's travel to a conference, made by the National Education Association and a local teacher's association, are reportable gifts is discussed.

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### Lobbying

Caren Daniels-Meade Political Reform Division-Secretary of State Dated: January 24, 2003 File Number A-02-310

Under section 84605(g), a lobbying entity must electronically file its registration documents in the next legislative session if it had an electronic filing obligation in the previous legislative session and the entity is continuing its lobbying activities in the coming legislative session.

Vernon M. Billy San Francisco Unified School District Dated: December 3, 2002 File Number: I-02-204

A part-time, in-house lobbyist for a school district requested advice as to whether he is prohibited from creating a lobbying firm under the Act. Also, he inquired on the reporting rules for his current salary from the school district. Although payments to lobbyists are required to be reported, a lobbyist firm is permitted to apportion the payments based on the percentage of the lobbyist's compensated time spent influencing or attempting to influence legislative or administrative action.

### **Mass Mailing**

Daniel G. Hobbs City of Fresno Dated: January 7, 2003 File Number A-02-336

The mass mailing provisions do not prevent the printing of vision statements on the back of all city employee business cards whether or not the vision statement is credited to the mayor. However, the mayor's name cannot occur more than once on any card, including his own, that otherwise would meet the requirements of the mass mailing provisions.

William Baber City of San Diego Dated: December 19, 2002 File Number: A-02-327

Distribution of Super Bowl pins which display the

mayor's name, by hand or any other means to a city employee, civic leader or volunteer at his or her place of business is prohibited since all four of the criteria in the mass mailing regulation are met.

Lawrence E. Dale, Mayor City of Barstow Dated: December 6, 2002 File Number: A-02-331

General discussion of the mass mailing prohibition in section 89001. Where a mailing is prepared and sent in cooperation, consultation, coordination, or concert with the elected officer, the elected officer's name may not be included in the mass mailing, absent an express exception.

Nancy E. Fenton County of Alameda Dated: November 27, 2002 File Number: A-02-300

Alameda County requested advice regarding mass mailing restrictions which would apply to a bimonthly newsletter that they deliver to all county employees with their paychecks. Although the statute requires that no newsletter or other mass mailing shall be sent at public expense, an exception applies for items sent in the normal course of business from one governmental entity or officer to another governmental entity or officer, as well as intra-agency communications sent in the normal course of business to employees and other staff. Therefore, the newsletter was exempt from the mass mailing prohibition.

### **Revolving Door**

Michael P. White Department of Information Technology Dated: February 13, 2003 File Number I-02-350

A former chief of information officer and director for the Department of Information Technology sought advice concerning post-employment restrictions in connection with the intent to engage in private consulting in the information technology industry. Since the agency has been dissolved and did not appear to have subordinate agencies, the one-year ban is not applicable. However, the official is permanently barred from representing

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clients in the proceedings in which he personally and substantially participated as a state official, including matters conducted by employees under his direct supervision.

# Sherry Skelly Griffith Department of Education Dated: January 17, 2003 File Number A-02-334

An official loaned by her agency to a commission to act as its executive secretary requests advice for purposes of the post-employment provisions of the Act. The official asks which entities are considered her former state administrative agency employer. The advice concludes that her former state administrative agency employer is the department for which she worked during the past 12 months of her state employment, the commission to which she was loaned, and the state board which controls the operations of that commission.

### Rosemarie Dunbarr Department of Motor Vehicles Dated: January 30, 2003 File Number I-02-352

When a state public official only appears before her former employer in connection with ministerial acts of the agency, the one year revolving door prohibition does not apply. However, the letter cautions that if the appearance is in connection with administrative action or an action or proceeding involving the issuance of a permit, license, or grant (other than ministerial acts), then the former public official may be required to wait a period of 12 months after leaving state service to engage in certain activities, or there may be a lifetime prohibition on participating in certain activities, depending upon the duties in which the former official engaged while with the state agency.

Thomas V. Speer Dept. of Water Resources Dated: November 1, 2002 File Number: I-02-285

The official was advised that the one-year ban

commences when the official is no longer receiving compensation and is no longer under an employment contract. The official was also advised that the one-year ban applies only to appearances or communications before his former state administrative agency employer and the officials thereof. The official may appear before other state administrative agencies during this one-year period, provided that such appearances are not in connection with matters from which he is prohibited from appearing because of the permanent ban.

### Statement of Economic Interests

The Honorable Bruce Van Voorhis Contra Costa County Dated: January 7, 2003 File Number A-02-342

A judge is advised as to how to report a loan to, and a gift from, a business entity on his Statement of Economic Interests.

Andrea M. Chelemengos City of Monte Sereno Dated: December 30, 2002 File Number: A-02-332

Should a site and architectural commission qualify as a "planning commission" under Government Code § 65100, its members will file statements of economic interests pursuant to sections 87200-87201.

### Lindsay F. Nielson Ventura County Board of Supervisors Dated: November 6, 2002 File Number: A-02-147

A member of the treasury oversight committee and a member of the board of supervisors were advised that, on the facts available, the treasury oversight committee does not appear to provide a "solely advisory function," and treasury oversight committee members were accordingly required to file Statements of Economic Interests. Additional discussion of "other public officials who manage public investments" under § 87200 is also provided.

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### Section 84308

Ronald D. Davis City of Huntington Beach Dated: December 19, 2002 File Number: A-02-344

So long as an individual is an "officer" subject to section 84308 at the time of a decision, section 84308 requirements apply. The individual need not be an "officer" at the time the contribution was received. The contribution that triggers the requirements need only meet the requisite threshold and be received within the 12 months prior to the decision.